

Q2 Half-Year report 2025

April 1 – June 30, 2025

Highlights of the second quarter

- Net sales decreased by 6 percent to SEK 1,906 million (2,024). Sales decreased organically by 1 percent, growth from acquisitions amounted to 1 percent, and exchange rate effects had a negative impact of 6 percent.
- EBITA decreased by 24 percent to SEK 169 million (222), corresponding to an EBITA margin of 8.9 percent (11.0).
- Operating profit (EBIT) decreased by 26 percent to SEK 142 million (192), corresponding to an operating margin of 7.4 percent (9.5).
- Profit for the period decreased by 13 percent to SEK 77 million (89).
- Earnings per share after dilution amounted to SEK 0.38 (0.44).
- Net sales in Data Center increased by 38 percent.
- The leverage amounted to 1.9x, which is unchanged from December 31, 2024.
- Cash flow from operating activities amounted to SEK 131 million (221).
- Hexatronic has refinanced its senior loans and revolving credit facility.
- Hexatronic's climate targets for 2030 have been validated and approved by the Science Based Targets initiative (SBTi).
- Fiber Solutions signs 7-year contract with Chorus in New Zealand.

Events after the end of the quarter

- Hexatronic reports preliminary figures for the second quarter due to weaker than expected profitability in Fiber Solutions.
- Initiating a Performance Improvement program in Fiber Solutions. Details of the program will be presented on September 11, 2025, in connection with a digital Investor Update. Financial targets per business area will also be introduced at that time.

Net sales, SEK m

1,906

Organic growth +%

-1%

EBITA margin %

8.9%

Figures for the second quarter of 2025

Key figures

	2025	2024		2025	2024		24/25	2024
SEK m	Q2	Q2	Δ%	Jan-Jun	Jan-Jun	Δ%	R12	Full-year
Net sales	1,906	2,024	-6%	3,787	3,805	0%	7,563	7,581
EBITA	169	222	-24%	353	390	-9%	766	803
EBITA margin	8.9%	11.0%		9.3%	10.3%		10.1%	10.6%
Operating profit (EBIT)	142	192	-26%	296	329	-10%	647	680
Profit for the period	77	89	-13%	163	150	9%	357	344
Earnings per share after dilution, SEK	0.38	0.44	-15%	0.80	0.75	7%	1.74	1.69
Cash flow from operating activities	131	221	-41%	81	492	-83%	510	921
Leverage, (x) ¹	1.9	1.9		1.9	1.9		1.9	1.9

¹ Net debt to EBITDA pro forma, excluding IFRS16, R12.

Weak development in Fiber Solutions and currency effects impacted the quarter



In line with the preliminary figures for the second quarter reported on July 6, Group sales decreased by 6 percent to SEK 1,906 million, mainly due to currency effects that impacted sales by -6 percent during the quarter. The Fiber Solutions business area performed weakly, with declining demand and margins. At the same time, Data Center and Harsh Environment continued to perform strongly and delivered record results for the quarter, accounting for 59 percent of the Group's EBITA before eliminations during the quarter.

The Group's EBITA decreased to 8.9 percent (11.0) as a result of the weaker performance in Fiber Solutions.

Weak demand in Fiber Solutions

Sales and EBITA in the Fiber Solutions business area performed significantly weaker than expected during the quarter due to lower demand for FTTH equipment and price pressure, which has been accentuated by overcapacity in the industry. Weak demand was noted in both North America and Europe, which saw negative growth of 23 and 12 percent, respectively, during the quarter. In North America, the decline is primarily related to Canada and a few customers in the US who had lower activity during the quarter. The APAC region has seen stable development. Sales declined by 8 percent during the quarter but increased in local currency. In June, we signed a new 7-year contract with New Zealand's leading broadband operator, Chorus, with whom we have had a close partnership for many years.

Overall, Fiber Solutions' sales decreased by 16 percent. EBITA declined to SEK 78 million (169), corresponding to a margin of 6.4 percent, due to lower sales and price pressure, primarily attributable to North America, which has traditionally had higher profitability.

Continued growth for Harsh Environment

Sales in Harsh Environment rose 4 percent during the quarter, and EBITA improved to SEK 40 million (38), thanks to several major project deliveries during the quarter. We continue to see good demand in the defense and energy sectors. Work to streamline manufacturing at the subsidiary Rochester Cable is ongoing and will continue throughout the year. Some positive effects of this work were noted during the second quarter.

Another record quarter for Data Center

The strong performance of Data Center continued in the second quarter. Sales rose 38 percent compared with the previous year, with strong growth mainly in the service business in both North America and Europe. In terms of profitability, the outcome was 2 to 3 percentage points higher than expected thanks to a couple of major projects with strong margins. During the quarter, we significantly strengthened our organization within the installation of security systems, audiovisual solutions, and wireless networks

for indoor environments in the US market, in line with the growth strategy presented at the Investor Update in March earlier this year.

Stable cash flow and reduced net debt

We continue to have good financial flexibility for long-term value creation. During the second quarter, our interest-bearing net debt (excluding IFRS 16) decreased to SEK 1,802 million compared with SEK 1,923 million at the end of the first quarter, which means that the debt ratio is unchanged at 1.9 times pro forma EBITDA. We report a positive operating cash flow of SEK 131 million, corresponding to cash generation of 74 percent.

Initiating a performance improvement program in Fiber Solutions

We have initiated a program to improve earnings in Fiber Solutions. This program aims to strengthen our competitiveness through increased cost efficiency and creating conditions for growth by allocating resources to adjacent, attractive growth areas. We will present the details of this program and introduce financial targets per business area as part of an Investor Update in September.

Outlook

For Fiber Solutions, the market situation in Europe is expected to remain unchanged in the coming quarters, with intense competition and low price levels. In the US, the market is more robust, and we are working hard to increase sales again. Overall, we expect an EBITA margin for Fiber Solutions in the third quarter to be in line with the second quarter.

As part of the performance improvement program we initiated in Fiber Solutions, we are now taking decisive steps to reduce our costs, increase productivity, and expand our operations into new growth areas.

In Data Center, the focus is on strong organic and acquisition-driven growth. We expect the seasonal pattern with a weaker second half to continue, but with good growth compared with the previous year. We are working actively to broaden our customer base, both with more data center operators and in more related segments such as schools, hospitals, and commercial premises. In the Harsh Environment business area, work is underway to improve operational efficiency and profitability, primarily in the subsidiary Rochester Cable. We expect sales to be in line with the previous year during the third quarter.

Our ambition remains to complete one or two acquisitions during the year in Harsh Environment and Data Center. The order book at the end of the second quarter corresponds to 2.5 months of sales.

Rikard Fröberg
President and CEO

Net sales and growth

Second quarter April 1 – June 30, 2025

The Group's net sales during the second quarter decreased by 6 percent to SEK 1,906 million (2,024). Organically, sales decreased by 1 percent in the quarter and are mainly explained by weaker than expected performance in Fiber Solutions, which was partly offset by a record quarter for both Harsh Environment and Data Center. Growth from acquisitions amounted to 1 percent and is attributable to Endor. Currency effects during the quarter amounted to -6 percent, where all currencies within the Group had a negative impact, but primarily attributable to a weaker USD, KRW, AUD, NZD, and CAD.

During the period, sales in Fiber Solutions amounted to SEK 1,230 million (1,457), corresponding to 65 percent (72) of the Group's total net sales, where we saw a negative growth of 16 percent compared to the corresponding quarter last year. Sales in Harsh Environment increased 4 percent to SEK 331 million (319) in the quarter, corresponding to 17 percent (16) of the Group's total net sales. The Data Center business area generated revenue of SEK 344 million (250), representing growth of 38 percent compared with the corresponding quarter last year, and accounting for 18 percent (12) of total net sales.

Overall, for the Group, sales in Europe decreased by 1% compared to last year, with growth in Data Center and Harsh Environment offset by lower demand in Fiber Solutions. The lower demand in Fiber Solutions also affected sales in North America, which decreased by 15% compared to last year. In APAC, second quarter sales increased by 1 percent.

The period January 1 – June 30, 2025

The Group's net sales for the period amounted to SEK 3,787 million (3,805). Organic sales remained unchanged during the period, while growth from acquisitions amounted to 2 percent and is attributable to Endor. Currency effects during the period amounted to -3 percent, with all currencies within the Group having a negative impact, but primarily attributable to a weaker USD, KRW, AUD, NZD, and CAD.

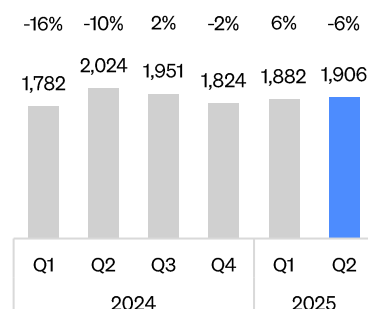
During the period, sales in Fiber Solutions amounted to SEK 2,465 million (2,712), corresponding to 65 percent (71) of the Group's total net sales, where we saw negative growth of 9 percent compared with the corresponding period last year. Sales in Harsh Environment rose 4 percent to SEK 618 million (592) during the period, corresponding to 16 percent (16) of the Group's total net sales. The Data Center business area generated revenue of SEK 706 million (506), representing growth of 39 percent compared with the same period last year, corresponding to 19 percent (13) of total net sales.

For the Group as a whole, sales in Europe increased by 4 percent during the period compared with the previous year. Growth was driven by both organic and acquisition-driven sales growth in Data Center, partly offset by lower sales in Fiber Solutions. North America declined by 10 percent due to lower price levels in Fiber Solutions, which was partly offset by higher volumes, and negative currency effects. In APAC, sales increased by 13 percent during the period, driven by the delivery of larger projects in Harsh Environment.

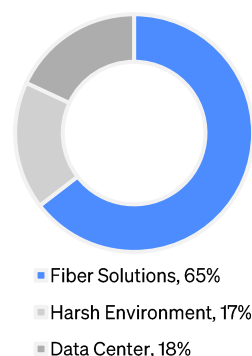
Analysis of change in net sales

SEK m	Q2 2025		Q2 2024		Jan-Jun 2025		Jan-Jun 2024	
		(%)		(%)		(%)		(%)
Previous year's quarter	2,024		2,258		3,805		4,373	
Organic growth	-12	-1%	-403	-18%	8	0%	-969	-22%
Acquisitions and structural changes	24	1%	154	7%	92	2%	389	9%
Exchange-rate effects	-131	-6%	15	1%	-118	-3%	13	0%
Current quarter	1,906	-6%	2,024	-10%	3,787	0%	3,805	-13%

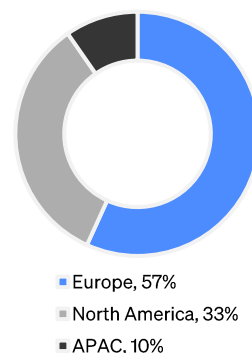
Net sales (SEK m) and growth per quarter



Sales by business area



Sales by geographical area



EBITA

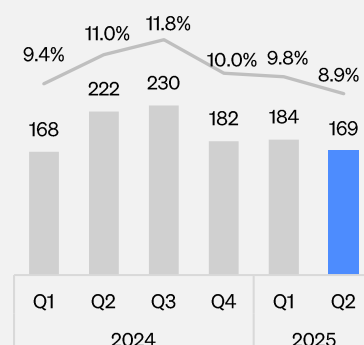
Second quarter April 1 – June 30, 2025

EBITA decreased by 24 percent to SEK 169 million (222) in the quarter, corresponding to an EBITA margin of 8.9 percent (11.0). The lower EBITA margin was negatively impacted by lower sales in Fiber Solutions compared with the corresponding period last year, together with reduced capacity utilization in our factories. This was partly offset by strong development in Data Center and Harsh Environment.

The period January 1 – June 30, 2025

EBITA decreased by 9 percent to SEK 353 million (390) during the period, corresponding to an EBITA margin of 9.3 percent (10.3). During the period, earnings were affected by continued price pressure in Fiber Solutions, which was offset by increased diversification and higher sales and earnings in Harsh Environment and Data Center.

EBITA (SEK m) and EBITA margin (%)



Financial items

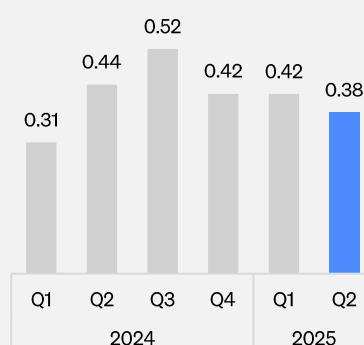
Second quarter April 1 – June 30, 2025

Net financial items for the quarter amounted to SEK -31 million (-59), of which net interest amounted to SEK -32 million (-49), realized and unrealized exchange rate differences amounted to SEK -5 million (-1) and other financial items amounted to SEK 7 million (-9). Other financial items include revaluation of additional purchase price and acquisition option of SEK 7 million (-6).

The period January 1 – June 30, 2025

Net financial items for the period amounted to SEK -62 million (-106), of which net interest amounted to SEK -70 million (-99), realized and unrealized exchange rate differences amounted to SEK -3 million (7) and other financial items amounted to SEK 11 million (-14). Other financial items include revaluation of additional purchase consideration and acquisition option of SEK 15 million (-9).

Earnings per share (SEK)



Profit for the period

Second quarter April 1 – June 30, 2025

Profit after tax for the second quarter amounted to SEK 77 million (89), and earnings per share after dilution decreased by 15 percent to SEK 0.38 (0.44). Tax for the quarter amounted to SEK -34 million (-44), which meant that the average effective tax rate for the Group was 30.3 percent (33.1) for the quarter. The lower tax rate compared with the corresponding quarter last year is mainly explained by a higher proportion of deductible interest expenses.

The period January 1 – June 30, 2025

Profit after tax for the period amounted to SEK 163 million (150), and earnings per share after dilution increased by 7 percent to SEK 0.80 (0.75). Tax for the period amounted to SEK -71 million (-73), which meant that the average effective tax rate for the Group was 30.3 percent (32.8) for the period.

Cash flow and investments

Second quarter April 1 – June 30, 2025

Cash flow from operating activities during the quarter amounted to SEK 131 million (221), including a change in working capital of SEK -45 million (28). Working capital was negatively impacted by higher inventory levels due to lower sales in Fiber Solutions. In addition, accounts receivable increased due to customer mix and higher sales compared to the previous quarter. The negative effect from accounts receivable and inventory was partly offset by increased accounts payable.

During the quarter, cash flow from the Group's investing activities amounted to SEK -37 million (-146). Investments in intangible assets and property, plant and equipment amounted to SEK -30 million (-95), driven by maintenance investments in Fiber Solutions and production and efficiency improvements in Rochester Cable. Cash flow effect related to business combinations after deduction of acquired cash and cash equivalents amounted to SEK -7 million (-51).

During the quarter, cash flow from the Group's financing activities amounted to SEK -66 million (-212). The change during the quarter is explained by amortization of lease debt of SEK -33 million (-33), borrowings drawn of SEK 8 million (0), and amortization of loans and payment of refinancing costs during the quarter of SEK -41 million (-242). In connection with the refinancing of the Group's senior loan and revolving credit facility during the quarter, a loan of SEK 8 million was raised and used to pay the refinancing costs.

Total cash flow for the quarter amounted to SEK 28 million (-137).

The period January 1 – June 30, 2025

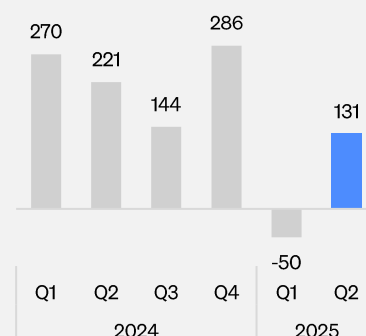
Cash flow from operating activities during the period amounted to SEK 81 million (492) including a change in working capital of SEK -237 million (180). Working capital was negatively impacted by increased accounts receivable due to customer mix and by increased inventory levels for raw materials, mainly in the first quarter to meet demand during the summer months, as well as lower sales in Fiber Solutions in the second quarter. The negative impact from accounts receivable and inventory was partly offset by increased accounts payable and prepayments from customers.

During the period, cash flow from the Group's investing activities amounted to SEK -54 million (-306). Investments in intangible assets and property, plant and equipment amounted to SEK -44 million (-163), driven by maintenance investments in Fiber Solutions and linked to production and efficiency improvements in Rochester Cable. Cash flow effect related to business combinations after deduction of acquired cash and cash equivalents amounted to SEK -10 million (-131).

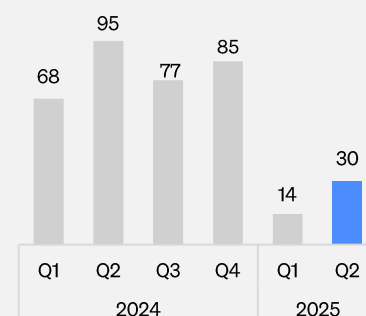
During the period, cash flow from the Group's financing activities amounted to SEK -101 million (-368). The change during the period is explained by amortization of leasing debt of SEK -67 million (-65), borrowings drawn of SEK 8 million (0) and amortization of loans and utilized RCF of SEK -41 million (-367). In connection with the Group's senior loan and revolving credit facility being refinanced, a loan of SEK 8 million was raised and used to pay the refinancing costs.

Total cash flow for the period amounted to SEK -73 million (-182).

Operating cash flow (SEK m)



Investments (Capex)



Business area

Fiber Solutions

Fiber optic cables, ducts, and network products for broadband deployment.

Net sales and profit

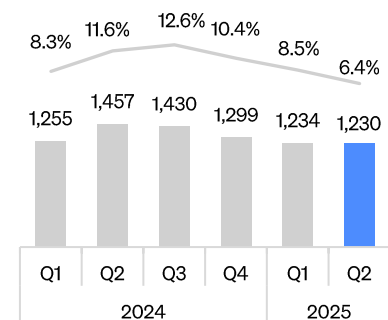
Net sales decreased by 16 percent to SEK 1,230 million in the second quarter due to weaker demand for FTTH equipment and price pressure exacerbated by overcapacity in the industry. Organically, sales decreased by 9 percent in the quarter. Sales in Europe decreased by 12 percent. In North America, sales were 23 percent lower, mainly due to lower sales in Canada and price pressure in our US duct business. In the APAC region, sales decreased by 8 percent in the quarter, but increased in local currency. Due to lower sales and capacity utilization in our factories, as well as the decline in the US market, which has traditionally had higher profitability, EBITA for the quarter decreased by 54 percent.

	2025	2024		2025	2024		24/25	2024
SEK m	Q2	Q2	Δ%	Jan-Jun	Jan-Jun	Δ%	R12	Full-year
Net sales	1,230	1,457	-16%	2,465	2,712	-9%	5,194	5,441
EBITDA	138	230	-40%	305	392	-22%	738	826
EBITDA %	11.2%	15.8%		12.4%	14.5%		14.2%	15.2%
EBITA	78	169	-54%	183	272	-33%	498	587
EBITA %	6.4%	11.6%		7.4%	10.0%		9.6%	10.8%
Investments	16	86		20	146		160	286
– % of net sales	1.3%	5.9%		0.8%	5.4%		3.1%	5.3%

Sales by Geography



Net sales and EBITA margin



Business area

Harsh Environment

Advanced, dynamic cables and solutions for connectivity in challenging environments.

Net sales and profit

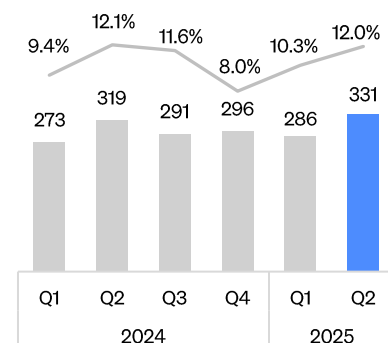
Net sales increased by 4 percent to SEK 331 million in the second quarter, of which organic growth was 10 percent. The change is mainly explained by increased sales to Europe and APAC, while North America decreased slightly. As previously communicated, the companies within Harsh Environment have an international customer base and a majority of revenues from larger projects, which means that sales per geography can fluctuate between quarters. The EBITA margin for the quarter was in line with the previous year, but sequentially up compared to the first quarter 2025. The work to streamline production in the subsidiary Rochester Cable is ongoing and will continue throughout the year. Some positive effects of this work were noted in the second quarter.

	2025	2024		2025	2024		24/25	2024
SEK m	Q2	Q2	Δ%	Jan-Jun	Jan-Jun	Δ%	R12	Full-year
Net sales	331	319	4%	618	592	4%	1,204	1,178
EBITDA	49	48	2%	88	82	6%	164	159
EBITDA %	14.7%	15.0%		14.2%	13.9%		13.6%	13.5%
EBITA	40	38	3%	69	64	8%	126	121
EBITA %	12.0%	12.1%		11.2%	10.8%		10.5%	10.3%
Investments	9	6		19	13		40	34
– % of net sales	2.8%	1.8%		3.0%	2.2%		3.3%	2.9%

Sales by Geography



Net sales and EBITA margin



Business area

Data Center

Customized products and services for large data center companies.

Net sales and profit

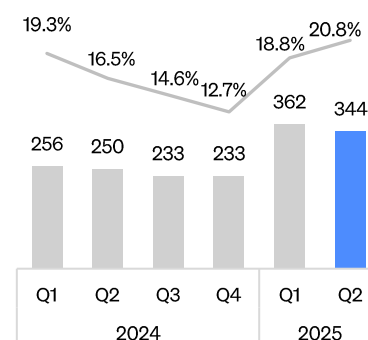
Net sales increased by 38 percent to SEK 344 million in the second quarter, including organic growth of 35 percent. As in the previous quarter, all units showed continued positive development, with both organic and acquisition-driven growth contributing to the sales increase. Sales in Europe and North America accounted for 63 percent and 37 percent, respectively, of the business area's total revenue, with the service business in both geographical regions showing strong growth. In terms of profitability, the outcome was 2 to 3 percentage points higher than expected thanks to a couple of large projects with strong margins.

	2025	2024		2025	2024		24/25	2024
SEK m	Q2	Q2	Δ%	Jan-Jun	Jan-Jun	Δ%	R12	Full-year
Net sales	344	250	38%	706	506	39%	1,172	972
EBITDA	76	46	66%	148	99	49%	221	172
EBITDA %	22.0%	18.2%		21.0%	19.6%		18.8%	17.7%
EBITA	72	41	73%	139	91	54%	203	154
EBITA %	20.8%	16.5%		19.8%	17.9%		17.3%	15.9%
Investments	4	3		5	4		5	5
– % of net sales	1.1%	1.1%		0.7%	0.9%		0.5%	0.5%

Sales by Geography



Net sales and EBITA margin



Corporate/Elimination

Corporate functions/Elimination mainly refers to central functions such as corporate staff, as well as other non-core activities within the respective segments, including elimination of internal transactions between segments. In the second quarter, Group Functions/Elimination reported an EBITA of SEK -20 million, compared with SEK -26 million in the second quarter of the previous year. The change in earnings is mainly explained by lower costs related to long-term incentive programs.

	2025	2024		2025	2024		24/25	2024
SEK m	Q2	Q2	Δ%	Jan-Jun	Jan-Jun	Δ%	R12	Full-year
Net sales	0	-2	-	-1	-5	41%	-7	-11
EBITDA	-19	-25	-22%	-37	-35	35%	-59	-57
EBITDA %	-	-	-	-	-	-	-	-
EBITA	-20	-26	-22%	-38	-37	37%	-62	-60
EBITA %	-	-	-	-	-	-	-	-
Investments	0	0	-	0	0		0	0
– % of net sales	-	-		-	-		-	-

Financial position

The Group's net debt, which corresponds to net debt excluding lease liabilities (IFRS 16), amounted to SEK 1,802 million as of June 30, 2025, compared to SEK 1,880 million as of December 31, 2024. The leverage as of June 30, 2025, was 1.9x annualized EBITDA, compared to 1.9x as of December 31, 2024.

Available funds as at June 30, 2025, including unutilized credit facilities, amounted to SEK 1,626 million compared to available funds of SEK 1,889 million as at December 31, 2024.

1.9

Leverage, x

Equity

Equity amounted to SEK 3,844 million on June 30, 2025, corresponding to SEK 18.71 per outstanding share at the end of the reporting period before dilution, compared to equity of SEK 4,057 million on December 31, 2024.

Employees

The number of employees in the whole group as of June 30, 2025, was 2,034, compared to, 1,967 employees as of December 31, 2024.

2,034

Number of employees

Parent company

The Parent Company's main business consists of performing Group-wide services. For the period January to June, revenue amounted to SEK 70 million (68), while the financial net was SEK 522 million (-11), of which SEK 470 million (134) relates to dividends received from subsidiaries. Profit after financial items amounted to SEK 486 million (-48). The change compared with the previous year is mainly explained by exchange rate effects on the revaluation of receivables and liabilities in foreign currency and by an increase in the dividends received from subsidiaries. The Parent company's short-term liabilities, primarily consisting of internal cash pool debts, are currently funded through the internal cash pool but will increasingly be funded through dividends and group contributions going forward.

Significant events

In the second quarter

Refinancing of senior loans and revolving credit facility

April 8, 2025 - Hexatronic has refinanced all senior loans and the company's revolving credit facility with the company's current lenders, Danske Bank A/S, Skandinaviska Enskilda Banken AB (publ) and AB Svensk Exportkredit. The new loan agreement totals SEK 3.5 billion. The credit documentation and financial covenants are the same as in the previous agreement. The new loan agreement runs until April 2028 with an option to extend until 2030 at the latest.

Hexatronics' climate targets approved by SBTi

May 15, 2025 - Hexatronics' commitment to sustainability has reached an important milestone: our climate targets for 2030 have been validated and approved by the Science Based Targets initiative (SBTi). The approval confirms that Hexatronic's targets for scope 1 and 2 are in line with the ambition to limit global warming to 1.5°C, and that our target for scope 3 meets the SBTi requirements for reducing emissions in the value chain.

Hexatronic initiates share savings program

May 23, 2025 - The Board of Directors of Hexatronic has initiated the LTIP 2025 share savings program, which was adopted by the Annual General Meeting on May 5, 2025. The program allows participants to acquire shares, known as savings shares, in order to participate in the program. LTIP 2025 is aimed at senior executives and other key employees in the Hexatronic Group.

Changes in Group management

May 28, 2025 - Hexatronic is implementing changes in Group management. Pernilla Grennfelt, who has been Head of Investor Relations and a member of Group management since June 2024, has decided to leave the company in connection with the restructuring of the role.

Fiber Solutions signs 7-year contract with Chorus in New Zealand

June 12, 2025 - Hexatronic Fiber Solutions has established a strong and successful partnership with New Zealand broadband operator Chorus over the years. A new 7-year agreement has been signed with Chorus for microduct, fiber cable, and network products for the continued expansion of Chorus' fiber network in New Zealand.

After the end of the quarter

Hexatronic reports lower earnings for the second quarter due to weaker profitability in Fiber Solutions

July 6, 2025 - Hexatronic reports preliminary figures for the second quarter of 2025 due to weaker than expected performance in the Fiber Solutions business area. Lower demand for FTTH equipment and price pressure, which has been accentuated by overcapacity in the industry, led to lower sales and earnings for the business area in the second quarter. A performance improvement program has been initiated within Fiber Solutions to improve productivity and create growth by allocating resources to related growth areas.

Performance improvement program in Fiber Solutions

In light of the weak development in Fiber Solutions, a performance improvement program has been initiated with the aim of improving growth opportunities and strengthening margins in the business area. Through cost reductions, productivity improvements, and investments in adjacent growth areas, alongside the FTTH segment, the ambition is to strengthen the conditions for profitable growth in the coming years. The program will focus on three areas:

- Simplified structure
- Improved productivity
- Investments in growth areas

Investor Update to be held on September 11, 2025

Details of the program and financial targets per business area will be presented on September 11, 2025, in connection with a digital Investor Update. An invitation with a link to the webcast event will be sent out in August.

Other information

Share structure

The Company's ordinary shares are listed on the Nasdaq Stockholm main market and are included in the Mid Cap segment.

As of June 30, 2025, the total number of shares was 208,334,746, of which 205,472,710 are ordinary shares and 2,862,036 are C shares. Each share has a quota value of SEK 0.01. The ordinary shares entitle the holder to one vote per share at the Annual General Meeting and to cash dividends. The C shares, whose purpose is to secure the allocation and costs of the company's annual long-term incentive program, entitle the holder to 1/10th of a vote at the Annual General Meeting, but do not entitle the holder to dividends.

Total share capital at the end of the period amounted to SEK 2 million.

Largest shareholders

The company's market capitalization at the end of the period was SEK 5,106 million. Based on information from Monitor of Modular Finance AB and subsequently known changes, the number of shareholders was 54,245 at the end of the period. The largest shareholders in Hexatronic Group AB (publ) as of June 30, 2025, are shown in the table below.

Shareholder	No. of ordinary shares	Votes
Handelsbanken Funds	18,318,485	8.9%
AMF Pension & Funds	12,572,376	6.1%
Accendo Capital	12,107,134	5.9%
Jonas Nordlund	11,052,162	5.4%
Third AP fund	10,071,824	4.9%
Vanguard	7,221,800	3.5%
Avanza Pension	5,551,730	2.7%
Chirp AB	3,658,449	1.8%
Dimensional Fund Advisors	3,624,556	1.8%
Varma Mutual Pension Insurance Company	3,416,879	1.7%
Other shareholders	117,877,315	57.3%
Total outstanding ordinary shares	205,472,710	100.0%

Source: Modular Finance Monitor

Annual General Meeting 2025

Hexatronic's 2025 Annual General Meeting was held on Monday, May 5, 2025, at 3:00 p.m. at Gothia Towers, Mässans gata 24 in Gothenburg. Shareholders who wished to have a matter addressed at the Annual General Meeting had the opportunity to submit such requests in writing to the Board of Directors. The Annual General Meeting resolved, among other things, to re-elect Board members Magnus Nicolin, Diego Anderson, Linda Hernström, Helena Holmgren, Jaakko Kivinen, and Åsa Sundberg. Magnus Nicolin was re-elected as Chairman of the Board. The Annual General Meeting also resolved on a long-term incentive program for the company's senior executives. Information and supporting documentation for the resolutions are available on Hexatronic's website, under the section on Corporate Governance: <https://www.hexatronic.com/en/investors/annual-general-meeting>

Transactions with related parties

The Group leases premises from Fastighets AB Balder, in which the Group's former board member Erik Selin has significant influence. Erik Selin left the board at the 2025 Annual General Meeting in May and he is no longer a related party. The lease

contracts have been entered into on standard commercial terms. The rent for the premises amounts to approximately SEK 6 million on an annual basis.

Seasonal variations

Hexatronic's sales of products and services within Fiber Solutions are affected by seasonal variations, which means that sales during the first and fourth quarters of the year are usually slightly lower than during the summer months when weather conditions are more favorable for groundwork. Sales in a harsh environment are unaffected by seasonal variations, while Data Center often has slightly higher activity during the first half of the year and slightly lower during the second half.

Significant risks and uncertainties

Hexatronic's operations, like all business activities, are associated with risks of various kinds. Identifying and evaluating risks is a natural and integral part of the business to control, limit, and proactively manage prioritized risks. The Group's ability to identify and prevent risks minimizes the risk of unpredictable events harming the company. Risk management aims not necessarily to

eliminate risk, but rather to secure our business objectives with a balanced risk portfolio.

Risks related to business development and long-term strategic planning, as well as the Group's work with sustainability issues and related risks, are managed by Group Management and ultimately prioritized by the Board of Directors.

Hexatronic has divided identified risks into market-related, operational, regulatory, and financial risks. Sustainability risks are integral to all risk areas and are described in more detail in the Group's sustainability report.

A more detailed description of the Group's risks and risk management is provided in Hexatronic Group's Annual Report and Sustainability Report 2024, on pages 50-53.

Current geopolitical uncertainty, uncertainty about trade barriers and tariffs, and a generally uncertain macroeconomic situation

affect Hexatronic. The Group's strategy of local manufacturing helps to reduce these risks.

The expansion of fiber optic infrastructure is supported by private players and government investment programs, such as the Gigabit Strategy in Germany, the Project Gigabit in the UK, and the BEAD program in the US. Similar programs exist in most countries. Should the willingness to invest decrease, for example, due to increased costs and/or reduced government investment programs, this could affect Hexatronic's business and thus future revenues. In recent years, Hexatronic has diversified its business by expanding into new geographic markets, market segments, and applications, and therefore has limited exposure to developments in individual markets.

Review

This interim report has not been subject to review by the company's auditor.

Assurance by the Board of Directors

The Board of Directors and President hereby confirm that the interim report for the period January-June 2025 provides a true and fair overview of the business, financial position and results of the Parent Company and the Group and describes significant risks and uncertainty factors with which the Parent Company and the companies forming the Group are faced.

Gothenburg, July 14, 2025
Bord of Directors of Hexatronic Group AB (publ)

Magnus Nicolin
Chairman

Diego Anderson
Board member

Linda Hernström
Board member

Helena Holmgren
Board member

Jaakko Kivinen
Board member

Åsa Sundberg
Board member

Rikard Fröberg
President and CEO

This is Hexatronic

Hexatronic creates sustainable networks for customers around the world. We believe that the more people who have access to what the future has to offer, the better the future will be.



Global presence, local business

Hexatronic's largest geographical markets are Northern Europe and North America. We have a strong position in countries such as the US, Germany and the UK, which are attractive growth markets.

In 2024, Europe accounted for 54 percent of the Group's sales, North America for 37 percent and APAC for 9 percent. We address markets based on their growth potential and taking into account maturity, competitive situation and local attitudes to technology and quality. We work in a customer-centric way with local presence in all key markets.

Three business areas

By developing our business around strategic growth markets, we are strengthening our position for the future. This means optimizing our capital allocation and creating an attractive risk profile. Based on end-customer markets and applications, we have organized our operations into three business areas - Fiber Solutions, Harsh Environment, and Data Center.

What they have in common is solid expertise in fiber optic infrastructure and the ability to deliver sustainable, high-quality solutions to customers worldwide.



Sustainability at Hexatronic

Hexatronic strives to be at the forefront of developing sustainable fiber infrastructure solutions for sectors such as telecom, data storage and energy. Enabling always-on connectivity helps drive the digital transformation, which is key to solving many of today's challenges and lays the foundation for greener, smarter and safer societies.

Our three sustainability focus areas are Planet, People and Ethics. These areas form the basis of our 2030 Sustainability Roadmap. To succeed, we ensure that sustainability is an integral part of our business and that our corporate culture leads the way. We engage and collaborate to find the best solutions and raise awareness through training, communication and sharing best practices.

We are proud and active members of several national, European and global sustainability organizations. As a participant in the Global Compact, we commit to the ten principles of the UN Global Compact and contribute to the 2030 Agenda. Each sustainability focus area with associated targets and KPIs is linked to the Sustainable Development Goals and the ten principles. We are committed to facilitating digitalization and driving sustainability in our field as a member of the FTTH Council's Sustainability Committee, which compiles best practices for fiber network deployment and drives climate action in the FTTH value chain.

Read about Hexatronic's goals, activities, and progress in our Annual Report and Sustainability Report 2024.

Consolidated income statement

SEK m	Note	2025 Q2	2024 Q2	2025 Jan-Jun	2024 Jan-Jun	2024 Full-year
Revenue						
Net sales	2	1,906	2,024	3,787	3,805	7,581
Other operating income		15	13	43	36	77
Total		1,921	2,037	3,830	3,841	7,658
Operating expenses						
Raw materials and goods for resale		-1,141	-1,174	-2,240	-2,234	-4,413
Other external costs		-209	-228	-428	-413	-854
Personnel costs		-317	-331	-636	-635	-1,251
Other operating expenses		-11	-7	-23	-21	-41
Depreciation of tangible assets		-74	-75	-150	-148	-297
Earnings before amortisation of intangible assets (EBITA)		169	222	353	390	803
Amortisation of intangible assets		-27	-31	-57	-61	-123
Operating profit (EBIT)		142	192	296	329	680
Result from financial items						
Financial items, net		-31	-59	-62	-106	-179
Result after financial items		111	133	234	223	501
Income taxes		-34	-44	-71	-73	-157
Net result for the period		77	89	163	150	344
Attributable to:						
Parent Company shareholders		78	90	164	152	346
Non-controlling interest		-0	-1	-1	-2	-1
Net result for the period		77	89	163	150	344
Earnings per share						
Earnings per share before dilution (SEK)		0.38	0.44	0.80	0.75	1.69
Earnings per share after dilution (SEK)		0.38	0.44	0.80	0.75	1.69

Consolidated statement of comprehensive income

SEK m	2025 Q2	2024 Q2	2025 Jan-Jun	2024 Jan-Jun	2024 Full-year
Profit for the period	77	89	163	150	344
Items which can later be recovered in the income statement					
Translation differences	-146	-49	-507	216	300
Hedging of net investments	70	8	161	-89	-142
Tax attributable to items that can be returned to the income statement	-14	-2	-33	18	29
Other comprehensive income for the period	-91	-42	-379	146	187
Comprehensive income for the period	-13	46	-216	296	532
Attributable to:					
Parent Company shareholders	-13	48	-214	297	532
Non-controlling interest	0	-2	-2	-1	0
Comprehensive income for the period	-13	46	-216	296	532

Consolidated balance sheet

SEK m	Note	2025-06-30	2024-06-30	2024-12-31
Assets				
Non current assets				
Intangible fixed assets		2,773	3,048	3,041
Property plant and equipment		2,205	2,417	2,501
Financial assets		48	17	66
Total non-current assets		5,026	5,482	5,608
Current assets				
Inventories		1,498	1,375	1,442
Accounts receivable		1,270	1,324	1,121
Other receivables		10	19	13
Prepaid expenses and accrued income		221	158	146
Cash and cash equivalents		518	650	633
Total current assets		3,517	3,526	3,355
TOTAL ASSETS		8,544	9,008	8,962
Equity		3,844	3,806	4,057
Non-current liabilities				
Liabilities to credit institutions	7	2,257	2,496	2,361
Deferred tax		242	246	276
Non-current lease liabilities		366	448	425
Other non-current liabilities	8	86	352	352
Total non-current liabilities		2,952	3,541	3,413
Current liabilities				
Liabilities to credit institutions	7	63	150	152
Current lease liabilities		126	129	132
Accounts payable		784	797	679
Provisions		25	43	34
Current tax liabilities		29	34	57
Other liabilities	8	327	121	91
Accrued expenses and deferred income		394	387	345
Total current liabilities		1,748	1,661	1,491
TOTAL EQUITY, PROVISION AND LIABILITIES		8,544	9,008	8,962

Consolidated statement of changes in equity

KSEK	Share Capital	Other capital contributions	Reserves	Hedging reserve	Result brought forward, including result for the period	Total	Non-controlling interests	Total equity
Balance brough forward as of 1 January, 2024	2	959	129	54	2,258	3,402	35	3,438
Profit for the period	-	-	-	-	346	346	-1	344
Other comprehensive income	-	-	299	-112	-	186	1	187
Total comprehensive income	0	0	299	-112	346	532	0	532
New shares related to employee stock option programme	0	63	-	-	-	63	-	63
Employee stock option programme	-	4	-	-	-	4	-	4
Share-based remuneration	0	-	-	-	9	9	-	9
Sale of shares linked to incentive programme	-	-	-	-	12	12	-	12
Total transactions with shareholders, reported directly in equity	0	68	0	0	21	88	0	88
Balance carried forward as of 31 December, 2024	2	1,027	428	-58	2,624	4,022	35	4,057
Balance brough forward as of 1 January, 2025	2	1,027	428	-58	2,624	4,022	35	4,057
Profit for the period	-	-	-	-	164	164	-1	163
Other comprehensive income	-	-	-506	127	-	-378	-1	-379
Total comprehensive income	0	0	-506	127	164	-214	-2	-216
Employee stock option programme	-	2	-	-	-	2	-	2
Share-based remuneration	-	-	-	-	1	1	-	1
Total transactions with shareholders, reported directly in equity	0	2	0	0	1	3	-	3
Balance carried forward as of June 30, 2025	2	1,029	-78	69	2,789	3,811	33	3,844

Consolidated statement of cash flow

SEK m	Note	2025 Q2	2024 Q2	2025 Jan-Jun	2024 Jan-Jun	2024 Full-year
Operating profit		142	192	296	329	680
Items not affecting cash flow	6	117	109	186	203	401
Interest received		3	3	6	4	12
Interest paid		-31	-48	-68	-93	-175
Income tax paid		-54	-63	-102	-132	-211
Cash flow from operating activities before changes in working capital		176	193	319	311	708
Increase (-)/decrease (+) in inventories		-60	-35	-188	53	-9
Increase (-)/decrease (+) in accounts receivable		-34	-79	-237	-144	76
Increase (-)/decrease (+) in operating receivables		1	-11	-24	-21	8
Increase (+)/decrease (-) in accounts payable		45	164	142	292	169
Increase (+)/decrease (-) in operating liabilities		3	-10	69	1	-30
Cash flow from changes in working capital		-45	28	-237	180	213
Cash flow from operating activities		131	221	81	492	921
Investing activities						
Acquisition of tangible and intangible assets		-30	-95	-44	-163	-325
Acquisition of subsidiaries after deduction of cash and cash equivalents		-7	-51	-10	-131	-171
Change in financial assets		-	-	-	-12	-12
Cash flow from investing activities		-37	-146	-54	-306	-508
Financing activities						
Borrowings		8	-	8	-	-
Amortisation of loans		-41	-242	-41	-367	-556
Amortisation of lease liabilities		-33	-33	-67	-65	-133
Sale of shares		-	-	-	-	12
New shares related to employee stock option programme		-	63	-	63	63
Cash flow from financing activities		-66	-212	-101	-368	-613
Cash flow for the period		28	-137	-73	-182	-200
Cash and cash equivalents at the start of the period		499	795	633	813	813
Exchange rate difference in cash and cash equivalents		-9	-9	-42	20	21
Cash and cash equivalents at the end of the period		518	650	518	650	633

Key metric for the Group

SEK m	2025 Q2	2024 Q2	2025 Jan-Jun	2024 Jan-Jun	24/25 R12	2024 Full-year
Growth in net sales	-6%	-10%	0%	-13%	0%	-7%
EBITA margin	8.9%	11.0%	9.3%	10.3%	10.1%	10.6%
EBITA margin, 12 months rolling	10.1%	11.3%	10.1%	11.3%	10.1%	10.6%
Operating margin	7.4%	9.5%	7.8%	8.7%	8.6%	9.0%
Equity asset ratio	45.0%	42.2%	45.0%	42.2%	45.0%	45.3%
Earnings per share before dilution (SEK)	0.38	0.44	0.80	0.75	1.74	1.69
Earnings per share after dilution (SEK)	0.38	0.44	0.80	0.75	1.74	1.69
Net sales per employee (SEK thousand)	946	1,009	1,913	1,943	3,820	3,866
Result per employee (SEK thousand)	38	45	83	77	181	176
Quick asset ratio	115%	130%	115%	130%	115%	128%
Cash flows from operating activities	131	221	81	492	510	921
Leverage, x	1.9	1.9	1.9	1.9	1.9	1.9
Average number of employees	2,015	2,006	1,980	1,959	1,980	1,961
Number of shares at period end before dilution	205,472,710	203,026,610	205,472,710	203,026,610	205,472,710	205,472,710
Average number of shares before dilution	205,472,710	203,026,610	205,472,710	203,026,610	205,472,710	204,249,660
Average number of shares after dilution	205,472,710	203,434,675	205,472,710	203,434,675	205,472,710	204,453,694

For definition of key metric, see the section Definition alternative key metrics.

The key metrics presented are deemed essential to describing the Group's development as they both constitute the Group's financial objectives (growth in net sales and EBITA margin) and are the key metrics by which the Group is governed. Several key metrics are considered relevant to investors, such as earnings per share and the number of shares. Other key metrics are presented in order to provide different perspectives on how the Group is developing and are therefore deemed to be of benefit to the reader.

Parent Company income statement

SEK m	2025 Q2	2024 Q2	2025 Jan-Jun	2024 Jan-Jun	2024 Full-year
Revenue				-	
Net sales	33	35	70	68	140
Total	33	35	70	68	140
Operating expenses					
Other external costs	-30	-29	-62	-55	-108
Personnel costs	-22	-25	-42	-47	-83
Other operating expenses	0	-1	0	-1	-1
Depreciation of tangible assets	0	0	0	-	-0
Earnings before amortisation of intangible assets (EBITA)	-19	-19	-34	-35	-53
Amortisation of intangible assets	-1	-0	-1	-1	-2
Operating profit (EBIT)	-19	-21	-36	-37	-55
Result from financial items					
Financial items, net	425	89	522	-11	2,120
Result after financial items	405	69	486	-48	2,064
Appropriations	-	-	-	-	93
Result before tax	405	69	486	-48	2,158
Income taxes	-8	5	-17	24	20
Net result for the period	397	73	469	-24	2,177

Total comprehensive income is the same as profit for the period in the parent company since there is nothing accounted for as other comprehensive income.

Parent Company balance sheet

SEK m	2025-06-30	2024-06-30	2024-12-31
Assets			
Intangible assets	1	7	2
Tangible assets	0	1	0
Financial assets	6,458	4,432	6,578
Total non-current assets	6,459	4,440	6,581
Current receivables			
Receivables from Group companies	231	235	297
Current tax receivables	2	25	1
Other receivables	0	0	1
Prepaid expenses and accrued income	11	13	9
Total current receivables	244	274	308
Cash and bank balances	82	100	97
Total current assets	326	373	405
TOTAL ASSETS	6,785	4,814	6,986
Equity	3,719	1,029	3,249
Untaxed reserves	29	29	29
Non-current liabilities			
Liabilities to credit institutions	2,251	2,482	2,353
Other non-current liabilities	44	307	301
Total non-current liabilities	2,295	2,789	2,654
Current liabilities			
Liabilities to credit institutions	63	150	152
Accounts payable	11	9	11
Provisions	1	2	2
Liabilities to Group companies	395	750	864
Other liabilities	238	20	1
Accrued expenses and deferred income	35	34	22
Total current liabilities	743	967	1,054
TOTAL EQUITY, PROVISIONS AND LIABILITIES	6,785	4,814	6,986

Notes

Note 1. Accounting principles

The consolidated financial statements for Hexatronic Group ("Hexatronic") have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, RFR 1 Supplementary Accounting Rules for Groups and the Swedish Annual Accounts Act. This interim report has been prepared in accordance with IAS 34 Interim Reporting; the Swedish Annual Accounts Act and RFR 1 Supplementary Accounting Rules for Groups.

The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the

Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The application of RFR 2 means that in its interim report for the legal entity, the Parent Company applies all IFRS, and statements adopted by the EU as far as possible within the framework of the Swedish Annual Accounts Act and the Swedish Insurance Act and regarding the relationship between accounting and taxation.

For full accounting policies, see the Annual Report for 2024.

Note 2. Revenue

Jan-Jun 2025				
Geographical markets	Europe	North America	APAC	Total
Fiber Solutions	1,368	827	269	2,465
Harsh Environment	292	237	89	618
Data Center	465	237	3	706
Corporate/Elimination	-1	0	-	-1
Total	2,125	1,301	361	3,787
Category				
Goods	1,817	1,131	356	3,304
Services	308	170	5	483
Total	2,125	1,301	361	3,787
Jan-Jun 2024				
Geographical markets	Europe	North America	APAC	Total
Fiber Solutions	1,462	987	263	2,712
Harsh Environment	262	283	46	592
Data Center	318	176	12	506
Corporate/Elimination	-4	-	-1	-5
Total	2,038	1,446	321	3,805
Category				
Goods	1,709	1,332	300	3,341
Services	329	115	21	465
Total	2,038	1,446	321	3,805

Note 3. Segment overview

As of the first quarter of 2025, the Group has introduced new segment reporting, changing from previously reporting one segment to now reporting three separate segments. The new segment structure reflects the internal reporting structure used for performance monitoring and resource allocation.

The Group's reportable operating segments have been identified from a management perspective. The segment information is based on internal reporting to the chief operating decision maker, which at Hexatronic has been equated with Group Management.

The Group's operations are managed and reported by three business segments:

Fiber Solutions is the Group's business in fiber optic cables, ducts and network products for FTTH connectivity, 5G, transport networks, local city networks and submarine cables. Customers are mainly telecom operators, network owners, and distributors.

Harsh Environment provides advanced cables and solutions adapted to withstand connectivity in the most challenging environments. Customers are mainly companies in the energy sector (offshore), marine technology, defense, and aerospace. The business area also includes the business of advanced fiber optic sensor systems.

Data Center offers tailor-made products and services for the data center market, such as cables and networking products, as well as design, installation, and project management. Customers include major global cloud companies, co-location operators, and large enterprises such as banks, automotive manufacturers, and industrial companies.

In addition to the mentioned segments, central functions are reported under Corporate/Elimination. This mainly includes Group staff, central departments, and other activities outside the core operations of each segment, including the elimination of internal transactions between segments.

Consolidation of the business segments is carried out in accordance with the same accounting principles applied to the Group as a whole. Transactions between business segments are conducted on market terms. Comparative figures for previous periods have been restated in accordance with the new segment structure.

The segments are managed and reported based on key financial metrics: net sales, EBITDA, EBITA, and investments (acquisitions of tangible and intangible fixed assets), which are presented below.

Summary of key performance indicators for the Group's segments:

	2025		2024		2025		2024		2024	
Net sales	Q2	%	Q2	%	Jan-Jun	%	Jan-Jun	%	Full-year	%
Fiber Solutions	1,230		1,457		2,465		2,712		5,441	
Harsh Environment	331		319		618		592		1,178	
Data Center	344		250		706		506		972	
Corporate/Elimination	0		-2		-1		-5		-11	
Total net sales	1,906		2,024		3,787		3,805		7,581	
EBITDA										
Fiber Solutions	138	11.2%	230	15.8%	305	12.4%	392	14.5%	826	15.2%
Harsh Environment	49	14.7%	48	15.0%	88	14.2%	82	13.9%	159	13.5%
Data Center	76	22.0%	46	18.2%	148	21.0%	99	19.6%	172	17.7%
Corporate/Elimination	-19		-25		-37		-35		-57	
Total EBITDA	243	12.7%	298	14.7%	504	13.3%	538	14.1%	1,099	14.5%
Depreciation of tangible assets	-74		-75		-150		-148		-297	
EBITA										
Fiber Solutions	78	6.4%	169	11.6%	183	7.4%	272	10.0%	587	10.8%
Harsh Environment	40	12.0%	38	12.1%	69	11.2%	64	10.8%	121	10.3%
Data Center	72	20.8%	41	16.5%	139	19.8%	91	17.9%	154	15.9%
Corporate/Elimination	-20		-26		-38		-37		-60	
Total EBITA	169	8.9%	222	11.0%	353	9.3%	390	10.3%	803	10.6%
Amortisation of intangible assets	-27		-31		-57		-61		-123	
Financial items, net	-31		-59		-62		-106		-179	
Result after financial items	111		133		234		223		501	
Investments (Capex)										
Fiber Solutions	16		86		20		146		286	
Harsh Environment	9		6		19		13		34	
Data Center	4		3		5		4		5	
Corporate/Elimination	0		0		0		0		0	
Total investments (Capex)	30		95		44		163		325	

Growth and share by segment

SEK m	2025 Q2	Allocation %	Growth %	2025 Jan-jun	Allocation %	Growth %
Fiber Solutions	1,230	65%	-16%	2,465	65%	-9%
Harsh Environment	331	17%	4%	618	16%	4%
Data Center	344	18%	38%	706	19%	39%
Other	0	0%	-	-1	0%	-
Total	1,906	100%	-6%	3,787	100%	0%

Sales growth per segment, adjusted for currency effects and acquisitions

Yearly growth (%)	2025 Q2	Q1	2025 Jan-Jun	Jan-Mar
Fiber Solutions	-9%	-2%	-6%	-2%
Harsh Environment	10%	3%	7%	3%
Data Center	35%	13%	24%	13%
Other	-	-	-	-
Total Group	-1%	1%	0%	1%

Growth and share by geography

SEK m	2025 Q2	Allocation %	Growth %	2025 Jan-Jun	Allocation %	Growth %
Europe	1,081	57%	-1%	2,125	56%	4%
North America	640	33%	-15%	1,301	34%	-10%
APAC	184	10%	1%	361	10%	13%
Total	1,906	100%	-6%	3,787	100%	0%

Note 4. Business acquisitions

Acquisitions 2025

No acquisitions have been made during the period January-June 2025 or after the end of the period.

Acquisitions 2025

On February 2, 2024, the Group acquired 97 percent of the share capital of MConnect, Ltd ("MConnect") for a fixed purchase consideration of GBP 0.6 million on a debt free basis. The acquisition of MConnect includes a put/call option to acquire the remaining 3 percent after 2027. Both parties have the right to exercise the option, and it is considered likely that the option will be exercised, hence the acquisition is recognized at 100 percent with no non-controlling interest. The expected purchase price for the remaining 3 percent is recognized as a liability with any changes in value through the income statement.

On October 1, 2024, the Group entered into an asset acquisition of parts of Icelandic Endor for a fixed purchase price of EUR 1.1 million on a debt-free basis, as well as a maximum present value calculated additional purchase price amounting to EUR 0.2 million.

The acquisitions have not had any material impact on Hexatronic's balance sheet, net sales and earnings for the period.

Note 5. Incentive programs

Employee stock option programs active at the time of this publication are:

Outstanding warrant programme	Number of warrantes	Corresponding number of shares	Proportion of total shares	Exercise price	Expiration period
Warrant programme 2022/2025	377,500	377,500	0.2%	96.20	15 May - 15 Jun 2026
Warrant programme 2022/2025	387,500	387,500	0.2%	55.30	13 May - 13 Jun 2027
Warrant programme 2025/2028	670,000	670,000	0.3%	34.60	13 May - 13 Jun 2028
Total	1,435,000	1,435,000	0.7%		

In addition to above warrant programs, there are four ongoing long-term, performance-based incentive plans (LTIP 2022, 2023, 2024 and 2025) for 45 senior executives and other key employees in the Group who are resident in Sweden. The participants have invested 337,715 savings shares in total.

Under the LTIP, for each acquired Hexatronic share (savings share), participants can receive 2–6 shares in Hexatronic (performance shares) free of charge, assuming achievement of certain performance targets. To qualify for performance shares, participants must acquire and retain a number of Hexatronic shares for the whole of the three-year vesting period and must, with some exceptions, remain in employment during the same period. In addition to the above conditions, performance shares also require certain performance targets to be met, linked to the development of the earnings per share after dilution, the Group's growth, EBITA margin and certain sustainability targets.

The targets relate to the 2022-2027 financial years. Hexatronic has judged that all the above conditions are non-market-related conditions under IFRS 2.

Note 6. Items not affecting cash flow

(SEK m)	2025 Q2	2024 Q2	2025 Jan-Jun	2024 Jan-Jun	2024 Full-year
Depreciation/amortisation	101	106	207	209	419
Revaluation of incentive programmes	3	11	2	18	24
Work in progress, accrued but not invoiced	13	-12	-14	-10	-36
Change obsolescence reserve inventory	-5	7	-2	8	22
Other provisions	-1	-2	-9	-20	-28
Exchange rate differences	5	0	0	-1	-1
Other	1	-1	1	-1	1
Total	117	109	186	203	401

Note 7. Liabilities to credit institutions

SEK m	2024-12-31	Cash flow		Items not affecting cash flow				2025-06-30
		Borrow-ings	Amortisa-tion of loan	Acquisi-tions	Reclass-ification	Change in exchange rate	Cost of financing	
Non-current liabilities to credit institutions	2,361	8	-	-	42	-155	1	2,257
Current liabilities to credit institutions	152	-	-41	-	-42	-5	-	63
Total	2,513	8	-41	-	-	-161	1	2,320

SEK m	2023-12-31	Cash flow		Items not affecting cash flow				2024-06-30
		Borrow-ings	Amortisa-tion of loan	Acquisi-tions	Reclass-ification	Change in exchange rate	Cost of financing	
Non-current liabilities to credit institutions	2,774	-	-	-	-367	89	0	2,496
Current liabilities to credit institutions	150	-	-367	-	367	1	-	150
Total	2,924	-	-367	-	-	89	0	2,646

Note 8. Financial liabilities valued at fair value via the income statement

SEK m	2024-12-31	Cash flow	Items not affecting cash flow				2025-06-30
		Payment	Acquisi-tion	Reclass-ification	Translation differences	Revaluation	
Additional purchase price / Acquisition option	352	-10	4	0	-5	-15	328

SEK m	2023-12-31	Cash flow	Items not affecting cash flow				2024-06-30
		Payment	Acquisiti-on	Reclass-ification	Translation differences	Revaluation	
Additional purchase price / Acquisition option	461	-125	17	11	2	9	375

Quarterly overview

Segment reporting by quarter

SEK m	2024 Q1	Q2	Q3	Q4	2025 Q1	Q2
Fiber Solutions						
Net sales	1,255	1,457	1,430	1,299	1,234	1,230
EBITDA	162	230	238	195	167	138
EBITDA%	12.9%	15.8%	16.7%	15.0%	13.5%	11.2%
EBITA	104	169	180	135	105	78
EBITA%	8.3%	11.6%	12.6%	10.4%	8.5%	6.4%
Investments (Capex)	59	86	68	74	4	16
Harsh Environment						
Net sales	273	319	291	296	286	331
EBITDA	34	48	43	34	39	49
EBITDA%	12.6%	15.0%	14.8%	11.4%	13.6%	14.7%
EBITA	26	38	34	24	29	40
EBITA%	9.4%	12.1%	11.6%	8.0%	10.3%	12.0%
Investments (Capex)	7	6	9	12	9	9
Data Center						
Net sales	256	250	233	233	362	344
EBITDA	53	46	39	34	72	76
EBITDA%	20.9%	18.2%	16.5%	14.7%	20.0%	22.0%
EBITA	49	41	34	30	68	72
EBITA%	19.3%	16.5%	14.6%	12.7%	18.8%	20.8%
Investments (Capex)	2	3	0	1	1	4
Corporate/Elimination						
Net sales	-3	-2	-3	-3	0	0
EBITDA	-10	-25	-16	-6	-17	-19
EBITDA%	-	-	-	-	-	-
EBITA	-11	-26	-17	-6	-18	-20
EBITA%	-	-	-	-	-	-
Investments (Capex)	0	0	0	0	0	0
Total						
Net sales	1,782	2,024	1,951	1,824	1,882	1,906
EBITDA	240	298	304	258	261	243
EBITDA%	13.5%	14.7%	15.6%	14.1%	13.9%	12.7%
EBITA	168	222	230	182	184	169
EBITA%	9.4%	11.0%	11.8%	10.0%	9.8%	8.9%
Investments (Capex)	68	95	78	86	14	30

Reconciliation between IFRS and key metrics used

In this interim report, Hexatronic presents certain financial parameters that are not defined in IFRS known as alternative key metrics. The Group believes that these parameters provide valuable supplementary information for investors as they facilitate an evaluation of the company's results and position. Since not all

companies calculate financial parameters in the same way these metrics are not always comparable with those used by other companies. Investors should see the financial parameters as a complement to rather than a replacement for financial reporting in accordance with IFRS.

	2025 Q2	2025 Jan-Jun	2024 Full-year
Organic growth, SEK m, %			
Net sales	1,906	3,787	7,581
Exchange-rate effects	131	118	26
Acquisition driven	-24	-92	-528
Comparable net sales	2,012	3,813	7,079
Net sales corresponding period previous year	2,024	3,805	8,150
Organic growth	-12	8	-1,071
Organic growth %	-1%	0%	-13%
	2025 Q2	2024 Q2	2024 Full-year
Annual growth, rolling 12 months, %			
Net sales rolling 12 months	7,563	7,583	7,581
Annual growth, rolling 12 months	0%	-4%	-7%
	2025-06-30	2024-06-30	2024-12-31
Quick asset ratio, %			
Current assets	3,517	3,526	3,355
Inventories	-1,498	-1,375	-1,442
Current assets - inventories	2,019	2,151	1,913
Current liabilities	1,748	1,661	1,491
Quick asset ratio	115%	130%	128%
	2025-06-30	2024-06-30	2024-12-31
Core working capital, SEK m			
Inventories	1,498	1,375	1,442
Accounts receivable	1,270	1,324	1,121
Accounts payable	-784	-797	-679
Core working capital	1,985	1,902	1,884
	2025-06-30	2024-06-30	2024-12-31
Net debt, SEK m			
Non-current liabilities to credit institutions	2,257	2,496	2,361
Current liabilities to credit institutions	63	150	152
Cash and cash equivalents	-518	-650	-633
Net debt	1,802	1,996	1,880

	2025	2024	2024
EBITDA and EBITDA (proforma) R12, SEK m	Q2	Q2	Full-year
Operating profit (EBIT), R12	647	734	680
Amortisation of intangible fixed assets, R12	119	121	123
EBITA, R12	766	855	803
Depreciation of tangible fixed assets, R12	299	272	297
EBITDA, R12	1,065	1,127	1,099
EBITDA (proforma), R12	1,067	1,152	1,106
Leasing effect (IFRS 16) on EBITDA, R12	-135	-115	-132
EBITDA exclusive IFRS16 (proforma), R12	932	1,036	974
	2025	2024	2024
Leverage	Q2	Q2	Full-year
Net debt	1,802	1,996	1,880
EBITDA exclusive IFRS16 (proforma), R12	932	1,036	974
Nettoskuld / EBITDA exclusive IFRS 16 (proforma), R12	1.9	1.9	1.9

Definition of alternative key metrics

Acquisition-driven growth

Net sales from acquired businesses during the following twelve months after the acquisition date.

Annual growth

Average annual growth is calculated as the Group's total net sales during the period compared with the corresponding period last year.

Average number of outstanding shares

Weighted average of the number of outstanding shares during the period.

Average number of outstanding shares after dilution

Weighted average of the number of shares outstanding during the period plus a weighted number of shares that would be added if all potential shares were converted into shares.

Core-working capital

Calculated as inventory plus accounts receivable minus accounts payable.

Earnings per share before dilution

Profit for the period attributable to parent company shareholders divided by the average number of outstanding shares before dilution.

Earnings per share after dilution

Profit for the period attributable to parent company shareholders divided by the average number of outstanding shares after dilution.

EBITDA

Operating profit before amortization and impairment of intangible assets.

EBITDA (proforma), R12

Operating profit before depreciation and amortization plus pro forma acquired EBITDA, before closing, for the last twelve months.

EBITA

Operating profit before amortization of intangible non-current assets.

EBITA margin

EBITA as a percentage of net sales.

EBIT

Operating profit. Revenue minus all costs related to operations, but excluding net financial items and income tax.

EBIT margin

Operating profit as a percentage of net sales.

Equity asset ratio

Total equity as a percentage of total assets.

Equity per share

Total equity is divided by the number of shares outstanding.

Gross profit

Net sales minus costs for raw materials and goods for resale.

Gross profit margin

Gross profit as a percentage of net sales.

Investments (Capex)

Acquisitions of tangible and intangible assets.

Leverage

Net debt to EBITDA (pro forma), excluding IFRS16, R12.

Net debt

Interest-bearing liabilities, excluding lease liabilities, minus cash and cash equivalents.

Number of employees

Number of employees at the end of the period.

Number of shares

Number of outstanding shares at the end of the period.

Organic growth

Organic growth is calculated as net sales adjusted for exchange rate effects and acquired businesses in relation to the previous year's net sales adjusted for acquired businesses.

Quick asset ratio

Calculated as current assets minus inventories divided by current liabilities.

Presentation

Hexatronic will present the interim report at a webcast conference call today, Monday, July 14, 2025, at 10.00 CEST. CEO Rikard Fröberg, CFO Pernilla Lindén, and Deputy CEO Martin Åberg will participate.

Link to the webcast:

<https://hexatronic-group.events.inderes.com/q2-report-2025>

For registration and participation via the teleconference:

<https://conference.inderes.com/teleconference/?id=5006798>

Webcast and presentation materials will be available on the Hexatronic website.

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For more information, please visit

<https://www.hexatronic.com/sv/investerare>

Calendar

Oct 24, 2025	Interim report January – September 2025
Sep 11, 2025	Investor Update
Feb 5, 2026	Year-end report 2025

This information is information that Hexatronic Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, on July 14, 2025 at 07.00 CEST.

This is a translation of the Swedish version of the interim report. When in doubt, the Swedish wording prevails.

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